



Title: I, Payroll/Personnel Manual  
Chapter: 28, Section 2, Tax Formulas (TAXES)  
Bulletin: TAXES 08-26, Idaho State Income Tax Withholding  
Date: April 28, 2008  
To: Holders of TAXES (State of Idaho only)  
Personnel User Groups  
T&A Contact Points in Idaho

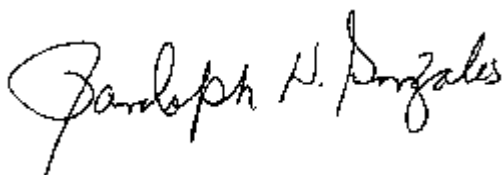
Beginning with wages paid for Pay Period 8, the National Finance Center (NFC) will make the following changes to the state of Idaho income tax withholdings:

- The exemption allowance will increase from \$3,200 to \$3,500.
- The Single and Married withholding tables will change.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page ([www.nfc.usda.gov](http://www.nfc.usda.gov)) and click the **Publications** link at the top of the page. At the Publications page right-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504-255-4630**.

 for

JOHN S. WHITE, Acting Director  
Government Employees Services Division

# Idaho State Income Tax Information

<b>State Abbreviation:</b>	ID
<b>State Tax Withholding State Code:</b>	16
<b>Acceptable Exemption Form:</b>	W-4
<b>Basis For Withholding:</b>	State or Federal Exemptions
<b>Acceptable Exemption Data:</b>	S, M / Number of Exemptions
<b>TSP Deferred:</b>	Yes
<b>Special Coding:</b>	None
<b>Additional Information:</b>	If a state income tax certificate has not been processed or if a valid state exemption code is not present, the Federal exemptions will be used in the computation of state tax.

## Withholding Formula ►(Effective Pay Period 8, 2008)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes flexible spending account – health care and dependent care deductions) from the amount computed in step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages times ►27◄ to obtain the annual wages.
5. Determine the exemption allowance by applying the following guideline and subtract this amount from the annual wages to compute the taxable income.

$$\text{Exemption Allowance} = \text{►\$3,500◄} \times \text{Number of Exemptions}$$

6. Apply the taxable income computed in step 5 to the following table to determine the annual Idaho tax withholding.

**Tax Withholding Table**  
**Single**

If the Amount of Taxable Income Is:		The Amount of Idaho Tax Withholding Should Be:				Of Excess Over:
Over:	But Not Over:					
\$ 0	\$ ►1,950	\$ 0.00	plus	0.0%	\$ 0	
1,950	3,222	0.00	plus	1.6%	►1,950	
3,222	4,494	20.00	plus	3.6%	3,222	
4,494	5,766	66.00	plus	4.1%	4,494	
5,766	7,038	118.00	plus	5.1%	5,766	
7,038	8,310	183.00	plus	6.1%	7,038	
8,310	11,490	261.00	plus	7.1%	8,310	
11,490	27,391	487.00	plus	7.4%	11,490	
27,391 ◄	and over	1,664.00	plus	7.8%	27,391 ◄	

# Married

If the Amount of  
Taxable Income Is:

The Amount of Idaho  
Tax Withholding Should Be:

Over:	But Not Over:
\$ 0	\$ ▶7,400
7,400	9,944
9,944	12,488
12,488	15,032
15,032	17,576
17,576	20,120
20,120	26,480
26,480	58,282
58,282◀	and over

			Of Excess Over:
\$ 0.00	plus	0.0%	\$ 0
0.00	plus	1.6%	▶7,400
41.00	plus	3.6%	9,944
133.00	plus	4.1%	12,488
237.00	plus	5.1%	15,032
367.00	plus	6.1%	17,576
522.00	plus	7.1%	20,120
974.00	plus	7.4%	26,480
3,327.00	plus	7.8%	58,282◀

7. Divide the annual Idaho tax withholding by ▶27◀ and round to the nearest dollar to obtain the biweekly Idaho tax withholding.